

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA	:	DATE FILED:	
v.	:	CRIMINAL NO:	
STEVEN ALLEN SCHWARTZ	:	VIOLATIONS:	18 U.S.C. §1344 (Bank fraud-2 counts)

INDICTMENT

COUNT ONE

THE GRAND JURY CHARGES THAT:

INTRODUCTION

At all times material to this indictment:

1. Defendant STEVEN ALLEN SCHWARTZ maintained a checking account at Citizens Bank, account number 620100-878-4.
2. Defendant STEVEN ALLEN SCHWARTZ maintained a Platinum Visa credit card account at Providian Bank, account number 4465 6921 0048 8661, in his name and in the name of another.
3. Citizens Bank and Providian Bank were financial institutions, the deposits of which were insured by the Federal Deposit Insurance Corporation (FDIC).
4. On June 5, 2003, defendant STEVEN ALLEN SCHWARTZ's checking account at Citizens Bank had a negative balance of \$4, 343.74.
5. On June 5, 2003, defendant STEVEN ALLEN SCHWARTZ's Providian Bank Platinum Visa account had a credit line of \$3,676.00 with a balance due of \$3,664.15, leaving an available credit balance of \$12.85.

6. In or about June, 2003,

STEVEN ALLEN SCHWARTZ

knowingly executed and attempted to execute a scheme to defraud Providian Bank, and to obtain money belonging to and under the custody and control of Providian Bank by means of false and fraudulent pretenses, representations and promises.

It was part of the scheme that:

7. Defendant STEVEN ALLEN SCHWARTZ on June 5, 2003, made an online payment of \$3,664.15 to his Providian Bank Visa account from his Citizens Bank checking account, knowing that he had insufficient funds in that checking account to cover that payment.

8. Defendant STEVEN ALLEN SCHWARTZ, through this use of an online payment which he knew would not be honored by his Citizens Bank checking account due to insufficient funds, falsely caused Providian Bank to believe that the full balance due on the Platinum Visa Credit card had been paid, and to provide additional credit on the Platinum Visa Card.

9. Defendant STEVEN ALLEN SCHWARTZ, incurred charges of over \$2,700.00 on the Providian Bank Platinum Visa Card before it was discovered that his payment of \$3,664.15 had been made from an account with insufficient funds.

In violation of Title 18 U.S.C. Section 1344.

COUNT TWO

THE GRAND JURY FURTHER CHARGES THAT:

At all times material to this Indictment,

1. Defendant STEVEN ALLEN SCHWARTZ maintained the checking account at Citizens Bank, account number 620100-878-4.

2. Defendant STEVEN ALLEN SCHWARTZ maintained credit card accounts at Capital One Bank as follows:

<u>Type of Account</u>	<u>Account Number</u>	<u>Name on Account</u>
Platinum Mastercard	5178052297194413	Steven Schwartz
Platinum Visa	4862362313340195	Steven Schwartz
Mastercard	5291072341270599 (changed from 5291071383738158)	Steven Schwartz & I.S.

3. Citizens Bank and Capital One Bank were financial institutions, the deposits of which were insured by the Federal Deposit Insurance Corporation (FDIC).

4. During June and July, 2003, defendant STEVEN ALLEN SCHWARTZ's checking account at Citizens Bank had either a negative balance or a positive balance of less than \$50.00.

5. On June 5, 2003, defendant STEVEN ALLEN SCHWARTZ had minimal or no available credit on his Capital One Platinum Mastercard, Platinum Visa Card, and Mastercard accounts.

6. From in or about June, 2003 to in or about July, 2003, defendant

STEVEN ALLEN SCHWARTZ

knowingly executed and attempted to execute a scheme to defraud Providian Bank, and to obtain

money belonging to and under the custody and control of Capital One Bank by means of false and fraudulent pretenses, representations and promises.

MANNER AND MEANS OF EXECUTING THE SCHEME

7. On or about June 5, 2003, defendant STEVEN ALLEN SCHWARTZ made an online payment of \$440.00 from his Citizens Bank checking account to his Capital One Platinum Mastercard, knowing that the checking account had insufficient funds to cover the payment, and knowing that Capital One would make additional credit available based on the alleged payment.

8. Defendant STEVEN ALLEN SCHWARTZ incurred additional credit card charges of approximately \$350.00 on his Capital One Platinum Mastercard before it was determined that the Citizens Bank checking account had insufficient funds to honor his payment.

9. On or about June 5, 2003, defendant STEVEN ALLEN SCHWARTZ made an online payment of \$4,349.59 from his Citizens Bank checking account to his Capital One Mastercard account, knowing that the checking account had insufficient funds to cover the payment and knowing that Capital One would make additional credit available based on the alleged payment.

10. In or about June, 2003, defendant STEVEN ALLEN SCHWARTZ made an online payment of \$380.00 from his Citizens Bank checking account to his Capital One Platinum Visa, knowing that the checking account had insufficient funds to cover the payment and knowing that Capital One would make additional credit available based on the alleged payment.

11. In or about June, 2003, defendant STEVEN ALLEN SCHWARTZ incurred additional credit card charges of over \$400.00 on his Capital Platinum Visa before it was determined that the Citizens Bank checking account had insufficient funds to honor his payment.

12. On or about July 2, 2003, defendant STEVEN ALLEN SCHWARTZ made an online payment of \$2,250.00 from his Citizens Bank checking account to his Capital One Platinum Mastercard, knowing that the checking account had insufficient funds to cover the payment and knowing that Capital One would make additional credit available based on the alleged payment.

13. In or about July, 2003, defendant STEVEN ALLEN SCHWARTZ incurred additional charges on his Capital One Platinum Mastercard in the amount of \$2,676.49 before it was determined that his Citizens Bank checking account had insufficient funds to honor his payment.

All in violation of Title 18, United States Code, Section 1344.

A TRUE BILL:

GRAND JURY FOREPERSON

PATRICK L. MEEHAN
United States Attorney